

SECRET

16 DEC 1966

Executive Registry

MEMORANDUM FOR : Deputy Director for Support

SUBJECT : Employee Activity Association Plans for Merchandise Sales

REFERENCE : Memo for ExDir-Compt fr DDS, Subj: Employee Activity Association, dtd 20 Jun 66

1. This memorandum submits a recommendation for your approval; this recommendation is contained in paragraph 9.

2. Referenced memorandum recommended the use of Room 1J37 in Headquarters Building as an EAA "Store" and the initiation of an expanded EAA sales program. These recommendations were approved by the Executive Director but were forwarded to the Office of Personnel with a note that the "DCI does not wish to go too far in expanding our sales program--be sure to keep it in bounds and in good taste. I'd like to review the whole program with you in Dec. '66 or Jan. '67."

3. Following through on action to implement the "Store", meetings were held with the Chief, Logistics Services Division (LSD); our plans for the "Store" were also brought to the attention of the Chairman, Fine Arts Commission. It was not until August 1966, however, that LSD could set up a meeting with the consultant decorator to discuss the design and functional arrangement needed to convert Room 1J37 into an attractive and workable "Store". Since then, action by LSD on our "Store" has been deferred pending, we are told, a policy decision concerning the use of interior decorator consultants. At the same time, LSD has been most cooperative in completing the various personnel moves that were necessary to vacate Room 1J37. The final step, relocation of the personnel in 1J37, is expected within the next week or two. Even though we had hoped to open the "Store" as a completed, properly decorated area, we see no reason not to use Room 1J37 in its present state for both our present Christmas sales of merchandise and as our "Store".

4. Keeping in mind the admonition from the Director that our sales program be in good taste and within bounds, we have developed a modest initial program of sales items that we feel will appeal to EAA members. Our initial venture into merchandising out of the EAA "Store" consists of the following items: luggage; watches; billfold, wallets, and limited leather products; seasonal sporting equipment; camping equipment; first aid kits (household and automobile); pens and pencils; and limited assortment of greeting cards and paper goods. Only first line quality merchandise, at attractive discounts, will be offered such as Samsonite luggage, Hamilton watches, Cross pens and

SECRETGROUP 1
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SECRET

pencils, and Hallmark cards. In addition, a limited inventory of these items will be maintained, at least initially, so that no large commitment of EAA funds will be made until such time as it is certain Agency employees are purchasing these items in an amount that would justify larger inventories.

5. You will note further that we are avoiding items that might prove troublesome or require a disproportionate amount of attention, such as white goods (linens), magazines, and the like. It is entirely possible that new items will be added, but this will depend on the success of the "Store" and EAA's ability to pay its own way so far as additional manpower is concerned.

6. We are still confident that the proposed merchandise program will be successful, but you can be assured that we fully intend to keep strict controls on the management of the program to ensure that it is kept within approved limits.

7. Our plans to conduct an EAA sales program and for the "Store" in Room 1J37 are not affected by the recent decision to relocate the Office of Personnel to the Rosslyn area. There is room in Room 1J37 for offices for EAA personnel who will manage the "Store" and the sales program.

8. If permitted to proceed, we plan to announce the opening of the "Store" in January to coincide with the renewal of memberships. Additional income through increased memberships should result from this announcement, especially when Agency employees become aware of the significant savings their membership will make possible.

9. It is recommended that we be authorized to proceed with the opening of the EAA "Store" in Room 1J37 and that the merchandise listed above be offered for sale.



Emmett D. Echols
Director of Personnel

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The recommendation in paragraph 9 is approved.

Deputy Director
for Support

Date

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20 JUN 1966

Executive Registry

66-2726

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Employee Activity Association

1. This memorandum contains in paragraph 7 recommendations for your approval.

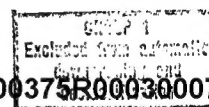
2. On 2 March 1966 the Chairman of the Fine Arts Commission wrote you about the use of the North Cafeteria corridor for sales activities being conducted by the Employee Activity Association (Attachment 1). He expressed the desire to see these activities moved out of the corridor so the Fine Arts Commission could proceed with plans to improve the appearance of that general area.

3. Shortly thereafter, on 22 March 1966, the Acting Director of Personnel, in a status report to you on EAA (Attachment 2), outlined plans to expand EAA's merchandise sales and to increase its membership. These moves he considered essential if EAA is to attain its goal of becoming financially self-sustaining.

4. To accommodate the interests of both EAA and the Fine Arts Commission, we have examined alternate locations where EAA might carry on its sales activities under suitable conditions without impinging on the concerns of the Fine Arts Commission. An acceptable solution is available, I believe. Room 1J-37, next-door to the Credit Union, would make an excellent spot for EAA's expanded sales activities. The room contains about 1,000 square feet of floor space. It also has a vault door. By redesigning the interior to provide counters, display cases, and shelves for storage--plus office space for two people--the room could be made into a most attractive sales point. Its central location is ideal.

5. Room 1J-37 is now occupied by members of Personnel's Benefits and Counseling Section. They can be relocated in the Headquarters building in space occupied by members of Personnel's Retirement Staff who would shift to the second floor of the Magazine Building in space being held for that purpose. The Chief of the Logistics Services Division and the Director of Personnel have worked out tentative plans for these moves, pending their approval, and also for the other arrangements necessary to convert 1J-37 into a "sales store." Meanwhile, until these arrangements can be completed, EAA would continue to use the small booth at the North Cafeteria for the sale of tickets and memberships but would refrain from any significant merchandise sales in that area.

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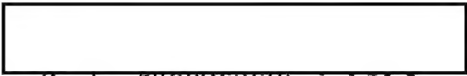
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6. On 27 May 1966 the preceding proposals were discussed with the Chairman of the Fine Arts Commission who reacted most favorably, offering the full assistance of the FAC in preparing 1J-37 and also in refurbishing the small booth at the North Cafeteria. Later, after checking with other members of his Commission, the Chairman urged that EAA consider abandoning its North Cafeteria booth when its new "sales store" is in full operation. However, he acceded to EAA's desire to hedge this point, at least for the present.

7. The above proposals represent, I believe, an acceptable plan that will enable EAA to expand its sales and membership activities without impinging on the concerns of the Fine Arts Commission. It is therefore recommended that you approve:

- a. the use of room 1J-37 as an EAA "sales store," and
- b. the initiation of an expanded EAA sales program as outlined in Attachment 2.

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R. L. Bannerman
Deputy Director
for Support

2 Atts:

- Att 1: Memo dtd 2 Mar 66 to ExDir-Comp
fr C/FAC, subj: "Entrance Way to
North Cafeteria"
- Att 2: Memo dtd 22 Mar 66 to ExDir-Comp
fr A-D/Pers, subj: "Employee Activity
Association"

The recommendations contained in paragraph 7 are approved.


L. K. White

Executive Director-Comptroller

13 July 66
Date

Distribution:

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Approved For Release 2002/05/07 : CIA-RDP85-00375R000300070003-0

Next 1 Page(s) In Document Exempt

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